

## Chapter 10

# Access to Social Protection by Immigrants, Emigrants and Resident Nationals in Lebanon



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### 10.1 Overview of the National Social Security System and Main Migration Features in Lebanon

The purpose of this chapter is to analyze the legal framework regulating Lebanon's welfare system for Lebanese nationals living at home or abroad and foreigners residing in the country. Five specific policy areas will be outlined: unemployment; health care; pensions; family benefits; and guaranteed minimum resources.

#### 10.1.1 Main Characteristics of the National Social Security System

The fragmented and decentralised nature of Lebanon's welfare system has resulted in significant segments of the population maintaining comprehensive protection, partial protection, no protection or restrictive protection based on ad hoc schemes provided by third parties. The National Social Security Fund (NSSF)<sup>1</sup> was created in 1963 under the tutelage of the Ministry of Labour (MoL) and the Ministry of Social Affairs (MoSA).<sup>2</sup> The original aim of the fund was to establish a universal mandatory insurance scheme following the French model. Although the NSSF

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<sup>1</sup> <https://www.cnss.gov.lb/>

<sup>2</sup> Decree No. 13955 of 1963 established the Social Security Law. It is the primary governing law from which the social protection schemes derive.

maintains financial and administrative independence, it is ultimately controlled by the Presidency of the Council of Ministers (PCM) and the MoL. The NSSF is primarily financed through monthly contributions by the employer<sup>3</sup> and employee based on a percentage of the employee's earnings up to a monthly revenue of 1,500,000 Lebanese Liras (LBP) (US\$ 1000, except for end-of-service indemnity benefits which has no ceiling) and government subsidies. The NSSF covers: (i) *Health and Maternity Insurance*<sup>4</sup> – financed by employer contributions at 8% and employee contributions at 3%<sup>5</sup> (in addition, government subsidies amount to 25% of the total expenditures of the health and maternity insurance); (ii) *Family and Education Allowances*<sup>6</sup> financed by employer contributions at 6%; (iii) *End-of-Service Indemnity*<sup>7</sup> – financed by employer contributions at 8.5% (with 0.5% goes towards NSSF administrative costs) (Rached 2012; Ammar 2009; EGYM 2017).<sup>8</sup>

For the approximately 50% of Lebanese without formal social protection insurance, the Ministry of Public Health (MoPH) provides some degree of health care protection (MoPH 2016; Ajluni and Kawar 2015).<sup>9</sup> Otherwise, those that are uninsured must rely on out-of-pocket expenditures for any medical services not covered by the MoPH.<sup>10</sup> The MoPH is financed by the Ministry of Finances' treasuries which amount to approximately 1% of GDP. In terms of the total government budget, it has not exceeded 4% in any given year up until 2005 (Nasnas 2016; Ammar 2009).<sup>11</sup>

<sup>3</sup>Private employers with over 10 employees are required to submit reports and pay contributions every 3 months. Larger enterprises with more than 10 employees are required to do so on a monthly basis.

<sup>4</sup>Health and maternity insurance is governed by Decree. No. 14035 issued on the 16th of March 1970. It was amended by Decree No. 5101 on the 24th of March 2001.

<sup>5</sup>NSSF issued Law No. 27 dated on the 10th of February 2017 followed by Decision No. 224 dated on the 12th of July 2017 issued by the MoL and their application memo No. 559 dated on the 24th of July 2017 which increased the health and maternity contributions by 1% for employer and employee (2% in total).

<sup>6</sup>Family and education allowances are governed by Decree No. 2957 dated on the 20th of October 1965.

<sup>7</sup>End-of-service indemnity is governed by Decree No. 1519 dated on the 24th of April 1965.

<sup>8</sup>There are a number of additional social protection schemes for different segments of the population (i.e. Civil Servants Cooperative and various schemes for military/security institutions).

<sup>9</sup>Ministry of Public Health: <https://www.moph.gov.lb/en>

<sup>10</sup>From 1998, Lebanon was spending 12.4% of its GDP on health and out-of-pocket payments which constituted 60% of total health spending. This was among the highest in the Eastern Mediterranean region. Importantly, with the utilisation of preventative, promotive and curative services, especially among poorer Lebanese, total health spending as a share of GDP has fallen from 12.4% to 8.4% and out-of-pocket spending as a share of total health spending fell from 60% to 44% (WHO 2010).

<sup>11</sup>Importantly, in terms of budget and government revenue expenditures, there has been no formal state budget for Lebanon since 2005. Additionally, without any formal budgeting process over such an extended period of time, it is difficult for the MoPH to effectively coordinate or adapt to future conditions (MoPH 2016).

Finally, there are a number of ad hoc social protection programmes that have attempted to fill the gaps of Lebanon's social protection, especially after the 2011 Syrian crisis. Some examples are the National Poverty Targeting Programme (NPTP) and Public Employment Programmes (PEP). These are often funded by a variety of (international) non-governmental organisations, United Nations agencies and/or the assistance of national governments.

### ***10.1.2 Migration History and Key Policy Developments***

For over 150 years, Lebanon has experienced waves of emigration resulting from lopsided economic development, undemocratic communal politics and national/international conflict (Tabar 2015). The first wave of emigration occurred in the mid to late nineteenth century with a small number of mainly Christians who were sent to Rome in order to return and serve as clergy. Also, with increasing integration of British and French capitalist markets, a number of Lebanese Christians emigrated to the main centres of trade between Europe and the Near East, including Egypt, Livorno, Marseille and Manchester. The second wave is marked by rapid population growth with an increasing number of educated and skilled persons. By World War I, a third of the population (mostly Christian) had left the country in order to seek better economic opportunities mainly in North and South America, Australia, West Africa, Europe and New Zealand. The third wave of emigration occurred between 1945 and 1975, due to increasing political instability and economic deterioration from the Arab-Israeli war in 1967 and labour demands from the Gulf States. The fourth wave is marked by the onset of the Lebanese Civil War (1975–1989) with approximately 990,000 people leaving the country. This accounted for approximately 40% of the total population. This fourth wave of emigration led many Lebanese to flee primarily to Canada, Australia, the United States, France, Germany and the Gulf States (Tabar 2015). Since the 1990s, Lebanon has seen increased confrontations with Israel which resulted in the 2006 Israeli invasion, political instability, assassinations and civil strife, including the impacts of the Syrian civil war which began in 2011.

Presently, population growth, immigration, high levels of inactivity in youth, lack of demand for a skilled and educated workforce and low-standard working conditions are some of the *push* conditions that cause many Lebanese to emigrate abroad leaving a significant *brain drain* effect in the country.<sup>12</sup> Moreover, the Lebanese government has used migration outflows as a tool to ease unemployment pressure and increase the remittance flows back into the country (Hourani 2007). The impact of remittances from the Lebanese diaspora has resulted in approximately US\$ 7.3 billion in 2016 which amounted to about 14.1% of Lebanon's

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<sup>12</sup>According to a Gallup survey in 2010, an estimated 37% of Lebanese youth expressed their willingness to emigrate permanently. Moreover, approximately 50% of Lebanese emigrants have at least secondary education and an estimated 25% with tertiary education (ETF 2017).

GDP. This figure is considered to be among the highest in the world (KNOWMAD 2017). Ajluni and Kawar (2015) explain that these significant inflows of remittances to family members in Lebanon have impacted the activity rates of working-aged people which has limited the rate of unemployment and has led to the expansion of low productivity economic activities in the country.<sup>13</sup> Moreover, demographic numbers of Lebanese, whether in Lebanon or abroad, have major political implications which can affect the country's sectarian balance and disrupt sect-based power-sharing arrangements. De Bel-Air (2017) estimates that 885,000 Lebanese migrants, either first-generation or born in Lebanon, are residing abroad as of 2014. Of these, 41% reside in the Gulf States, 23% in North America, 21% in Europe (including Norway and Switzerland) and 16% in other countries including Australia and Brazil. Moreover, given the selective process of immigration, Lebanese emigrants are almost twice as educated as non-migrants with at least 25% maintaining tertiary education (De Bel-Air 2017; ETF 2017).

Lebanon, also being a country of immigration, has experienced inflows of migrants and refugees over the years. The twentieth century witnessed the immigration of Armenians fleeing genocide from the Ottoman empire in the early 1900s, Palestinians fleeing Israeli occupation since 1948, Iraqis escaping Iraq from the Gulf wars in 1990–1991 and early 2000s and more recently Syrians fleeing the civil war since 2011. Furthermore, there are a number of migrant populations working under the *kafala*<sup>14</sup> system from Ethiopia, Bangladesh, Sri Lanka and Indonesia.

Since it is rather difficult to provide accurate figures on the number of foreigners residing in Lebanon, most statistics derive from research conducted by international non-governmental organisations. In 2015, a total of 209,647 foreign labour work permits were issued by the MoL. The largest groups of legally registered foreign workers are Ethiopians (73,419), followed by nationals of Bangladesh (49,136), the Philippines (23,606) and Sri Lanka (8,867) (De Bel-Air 2017). Palestinians, although the majority were born in Lebanon, are considered foreigners. There are approximately 300,000–350,000 Palestinians in Lebanon, including the 42,000 Palestinians from Syria (De Bel-Air 2017; UN and GoL 2017; Chaaban et al. 2010). Syrian nationals currently constitute the largest foreign group in Lebanon. Although the Lebanese government has claimed the figure of 1.5 million Syrians in Lebanon since 2016, the UNHCR states that there are 950,000 registered Syrian refugees, 14,000 Iraqi refugees and almost 2,000 Sudanese refugees in the country (UN and GoL 2017; UNHCR 2019). Additionally, it is quite challenging to estimate the number of unregistered Syrians residing in Lebanon.

<sup>13</sup> Remittances are mainly used by individuals and families for consumption and to raise their standard of living. According to a mini-survey conducted by Barendse et al. (2006), researchers found that 56% of respondents used remittances for 'daily expenses,' 24% on school fees, 10% were used for investments and 5% for the building of a house.

<sup>14</sup> The *kafala* system is a work-sponsorship system in Lebanon which is applied to mainly construction and domestic workers and other unskilled labourers. The *kafala* system has been criticised for facilitating exploitation of foreign workers as employers oftentimes hold the employees' passport with employees having little legal protection.

Emigration, for many Lebanese, has been a vital social ‘safety net,’ particularly for the most vulnerable segments of the population (i.e. elderly, unemployed). The absence of decent-pay employment, poor infrastructure, anaemic social protection, a lack of essential services like water and electricity and a persistence of domestic and international crises cause many Lebanese to emigrate. Regularly, those who have the economic means (i.e. formal employment) enjoy the protection and security of social protection schemes. In tandem, foreign nationals from a limited number of wealthy countries are eligible by law to enrol in the social protection schemes. Nevertheless, it is the most vulnerable migrants (refugees, displaced, domestic workers) who are left with little protection, as explained below.

## 10.2 Migration and Social Protection in Lebanon

Technically, all formal employers are required to register their employees with the NSSF. This includes full-time employees of the private sector and contractual employees in the public domain. NSSF benefits are also extended to employees’ dependents (unemployed spouse, children and parents over the age of 60). Self-employed Lebanese nationals have the choice to voluntarily join the NSSF.<sup>15</sup> Unemployed Lebanese nationals or those working abroad are excluded from participating in the NSSF. Foreign employees working in Lebanon with a valid work permit and residency permit are entitled to join the NSSF only if their country of nationality offers equal treatment to Lebanese workers as stipulated by Article 9 of the 1963 Social Security Law. Officially, only four countries meet this criterion: France, Belgium, the UK and Italy (IDAL 2016). According to Nasnas (2016), there were an estimated 34,000 non-Lebanese insured in the NSSF’s sickness and maternity branch in 2012. Additionally, foreign employees are not entitled to end-of-service benefits. For those Lebanese nationals registered with the NSSF, their benefits are not exportable.

The exception to these particular regulations are the Palestinians in Lebanon.<sup>16</sup> They remain a special category of foreigners as the 1964 law<sup>17</sup> classified them as foreigners in the Lebanese labour market, thus obliging them to obtain a work permit prior to employment. Furthermore, because of Article 9 of the 1963 Social Security Law (the stipulation of reciprocity of treatment for social protection by a foreign state), the Palestinians’ status as foreigner and stateless does not allow the

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<sup>15</sup> As self-employed Lebanese may join the NSSF on a voluntary basis, according to Ammar (2009), voluntary adherents have never surpassed 6.5%.

<sup>16</sup> Over 90% of Palestinians were born in Lebanon. The remaining 10% consist of the older generation who were born in Palestine but were forced to flee in 1948 — known as the *Nakba* (“catastrophe”) (Al-Nashif and El-Khoury 2012). The Government of Lebanon considers Palestinians in Lebanon as refugees.

<sup>17</sup> Ministerial Decree No. 17561 of 1964.

eligibility of enrollment in the NSSF. (Al-Nashif and El-Khoury 2012).<sup>18</sup> In 2010, the House of Representatives approved an amendment of the Social Security Act which exempted Palestinians from paying the work permit fees, cancelled the principle of reciprocity and provided Palestinians end-of-service benefits by the NSSF. Palestinians and their employers registered with the NSSF are required to pay full social protection contributions while still being deprived of health and maternity insurance and family and education allowances (Solidar 2015; Abi Yaghi 2014).<sup>19</sup>

There is no comprehensive public non-contributory social protection scheme in Lebanon. Citizens who are unemployed, the often self-employed and foreigners residing in Lebanon are generally left without any semblance of public social protection. Furthermore, given the high degree of informality in the labour market, a significant number of Lebanese workers do not maintain access to formal social protection benefits at all. However, the MoPH does provide non-exportable health care to resident Lebanese nationals that are uninsured by covering what is considered as 'catastrophic' health care payments (Ammar 2009; WHO 2006).<sup>20</sup> However, foreign residents cannot access these benefits. The MoSA is also responsible for coordinating social protection in Lebanon and is in charge of implementing a program called The National Poverty Targeting Program (NPTP) launched in 2011. The NPTP provides a combination of social assistance and social service provisions (partial medical bill payments, school fee waivers, free books, food assistance) to 'extremely poor' Lebanese citizens (Kukrety 2016).<sup>21</sup> In order to access these provisions, Lebanese citizens must register with the nearest Social Development Centre (SDC).<sup>22</sup> A Proxy Means Test formula is applied to determine their 'poverty level' and whether they are able to register as beneficiaries.<sup>23</sup>

Lebanon is also a member of several regional integration organizations including: the Arab League; the Union for the Mediterranean (UfM); the Organisation of Islamic Cooperation (OIC); the Parliamentary Union of the OIC Member States (PUIC); and the International Organisation of the Francophonie (OIF). However,

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<sup>18</sup> 95% of Palestinians in Lebanon possess a Lebanese-Palestinian passport (known as a *Wathika*). Additionally, 96% also maintain a UNRWA card which claims they are registered with the Ministry of Interior's General Directorate of Political and Refugee Affairs (Al-Nashif and El-Khoury 2012).

<sup>19</sup> Despite the legal reforms in 2010, Palestinians who obtain work permits are very low. One primary reason for this is because the issuance of a formal work permit automatically entails the commitment to register with the NSSF. Approximately less than 2% of Palestinians in Lebanon have a work permit (Al-Nashif and El-Khoury 2012).

<sup>20</sup> 'Catastrophic' payments are considered emergency hospital care and expensive medication and treatment for diseases such as cancer, mental illness, multiple sclerosis and other financially complicated diseases.

<sup>21</sup> According to figures from the MoSA, as of June 2015, approximately 160,985 Lebanese households had applied for benefits from the NPTP.

<sup>22</sup> Social Development Centres (SDCs) are local centres distributed throughout Lebanon and are designed to implement the social development policies of the MoSA.

<sup>23</sup> The MoSA reaches around 350,000 beneficiaries yearly through SDCs or contracting NGOs and welfare institutions (World Bank 2013).

only some of these organisations aim to make progress in the field of social security. For instance, the Council of Arabic Economic Unity (CAEU) of the Arab League aimed to coordinate legislation concerning labour and social security.<sup>24</sup> However, Lebanon has not enacted nor made significant progress in terms of social security coordination. As for the UfM, the Euro-Mediterranean Partnership Agreement addresses some key issues regarding social protection.<sup>25</sup> Yet, the EMP does not go beyond the arrangement of ‘dialogue’ on core issues of social protection and on the coordination and extension of social security benefits to migrants of member states in Lebanon (Ayadi and Gadi 2013; García de Cortázar Nebreda 2016).

### 10.2.1 Unemployment

Lebanon does not have a formal scheme of unemployment insurance or assistance. Those who are employed and enrolled in the NSSF receive an end-of-service indemnity (ESI) if they retire or lose their job. If the employee loses their employment prior to completing at least 20 years of service, s/he is subject to a reduction schedule of entitlements (Jarmuzek and Nakhle 2018).<sup>26</sup>

As a result of the impact from the Syrian crisis, Lebanon’s Gross Domestic Product (GDP) fell from an average of 9% during 2007–2010 to less than 2% per year since 2011 (World Bank 2015; Nasnas 2016). It is estimated that due to the Syrian crisis, some 200,000 additional Lebanese have been pushed into poverty adding to the existing 1 million poor in the country. Furthermore, an additional 250,000 to 300,000 Lebanese are estimated to have become unemployed (World Bank 2018). Consequently, a burgeoning of Public Employment Programmes (PEP) have developed to mitigate the impacts of increasing unemployment. Specifically, cash-for-work (CfW) programmes are short-term interventions used by humanitarian assistance organisations to provide temporary employment in public projects to the most vulnerable segments of the population (Mercy Corps 2007). As a number of differing organisations implement CfW programmes, most decisions regarding beneficiaries are taken by the organisations themselves. CfW programmes are often extended to displaced Syrians and Palestinians from Lebanon or Syria. Of the estimated 300,000 to 350,000 job opportunities programmes like PEPs are expected to create, the Republic of Lebanon has stated 60% will be for displaced Syrians living in Lebanon (Republic of Lebanon 2016).

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<sup>24</sup> See Article 2 and Article 9 of the Agreement of Economic Unity Among Arab States.

<sup>25</sup> See Article 65(2) of the Euro-Mediterranean Partnership Agreement.

<sup>26</sup> The reduction schedule of ESI entitlements for less than 20 years of service are the following: less than 5 years contribution, 50% reduction; between 5 and 10 years contribution, 35% reduction; between 10 and 15 years contribution, 25% reduction; between 15 and 20 years contribution, 15% reduction.



### 10.2.2 Health Care

For Lebanese formally employed, the NSSF is the most important source of public health care providing 90% of hospitalisation costs and 80% of medical consultations and medication. NSSF benefits also extend to the dependents of the insured. Hospital admission is secured through the insured's physician and reviewed by NSSF medical inspectors. Outpatient care is paid by patients and later reimbursed by the NSSF; however, these reimbursement procedures have been criticised as tedious, time-consuming and bureaucratic. This has led many insured Lebanese to forego their claims due to the hassle of obtaining their reimbursements (Kronfol 2002). NSSF health care benefits are not exportable to other countries. Foreigners may enrol in the NSSF's health care insurance only if they originate from a country which provides the reciprocity of treatment for Lebanese nationals (i.e. France, Belgium, the UK and Italy).

The MoPH has evolved from its original role of providing health care to the poor to become a non-contributory safety net for all non-insured Lebanese (otherwise known as the 'insurer of last resort').<sup>27</sup> It covers 'catastrophic' health care payments like hospitalisation, expensive medication and the costs of treatments for chronic diseases (Al-Nashif and El-Khoury 2012). The MoPH is also a key facilitator for health care centres in Lebanon.<sup>28</sup> Through this public-private or 'blended' organizational management, the MoPH is able to ensure a (primary medical) safety net and provide an alternative for secondary care to the uninsured (MoPH 2016). Under the MoPH, hospital care is covered up to 85% at private hospitals and 95% at public hospitals.<sup>29</sup> A significant structural weakness of the MoPH's health care relates to its almost exclusive focus on service provision, with a limited role in prevention, planning and regulation (Salti et al. 2010).

For migrant domestic workers (i.e. Sri Lankan and Indonesian), health insurance is mandatory, however, they are unable to obtain NSSF benefits or to benefit from the MoPH's health care. Their employers must obtain health insurance via private providers before they are able to obtain a work permit (General Directorate of General Security 2019). For Palestinians living in Lebanon, the United Nations Relief and Works Agency (UNRWA) is the only provider of health coverage. UNRWA currently operates 28 primary health care facilities in Lebanon. It has also formed an arrangement with the Palestine Red Crescent Society hospitals to further provide equal access to secondary health care (UNRWA 2019).

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<sup>27</sup> Those without medical insurance and rely on the MoPH include over 30% of the population (Nasnas 2016).

<sup>28</sup> There are approximately 1080 health care facilities providing unpaid medications, vaccines and access to advanced medical equipment.

<sup>29</sup> Private hospitals account for 82% of Lebanon's total capacity (El Khoury et al. 2012). The number of publicly-run hospitals in Lebanon is 29 (UN and GoL 2017).



### 10.2.3 Pensions

Lebanon's primary pension scheme follows a defined-contribution system administered by the NSSF. The NSSF provides an end-of-service indemnity (ESI) which offers a one-time lump-sum cash benefit equivalent to the accumulated contributions associated with past employers and one month of earnings for each year of service with final employer.<sup>30</sup> ESI recipients primarily include private sector contractual and wage-earning employees and contractual government employees whose employment was terminated due to reaching the retirement age (60–64 years of age) or disability.<sup>31</sup> The self-employed may also voluntarily subscribe to the NSSF. Eligibility for full ESI benefits requires an employee to accumulate at least 20 years of service in Lebanon otherwise a reduction schedule on the benefits will be applied. Although foreign employees are entitled to join NSSF, they are not eligible for ESI benefits. However, ESI benefits are extended to Palestinians in Lebanon with a valid work permit. Yet, upwards of 98% of Palestinians are not enrolled in such formal employment mainly due to regulations requiring them and their employers to contribute to all social protection branches of the NSSF, yet *only* receiving the ESI benefits.

All NSSF benefits are terminated after the lump-sum payment leaving many retirees with no pension or health care coverage.<sup>32</sup> Furthermore, employers face substantial economic strain when an employee retires primarily because of the lump-sum cash that is paid out in addition to the contributions made to the NSSF (Rached 2012).

### 10.2.4 Family Benefits

In Lebanon, maternity benefits are granted to all women registered with the NSSF. Women may also receive maternity benefits if a family member (i.e. father or husband) is enrolled in the NSSF and includes her as a beneficiary. To become eligible for maternity benefits, individuals must have been under the NSSF's insurance coverage for at least 10 months prior to the scheduled delivery date. Maternity benefits are granted for 10 weeks and the amount paid is equal to two thirds of the average working day. There are no paternal benefits in Lebanon.

In terms of family allowances, families receive 33,000 LBP (US\$ 22) monthly for every child from the moment s/he is born, up to five children. In the case that

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<sup>30</sup> One month of earning for every year of service up to 20 years and 1.5 months for every year after.

<sup>31</sup> Taxi drivers, newspaper and magazine vendors, local councillors and permanent agricultural workers are also included as well.

<sup>32</sup> According to PAPFAM data, 74.8% of elderly Lebanese derive their income from their children (Tohme et al. 2010) with more than 80% of Lebanon's population over 65 having no pension or health care coverage (Ajluni and Kawar 2015).

both parents are insured by the NSSF, family allowances are not paid twice for the same child. Child allowances are granted up to 18 years for sons (or 25 years if they are still studying) and 25 years for daughters unless they are married before this age.

Only mothers permanently residing in Lebanon are allowed to access maternity benefits.<sup>33</sup> Maternity and family benefits are extended only to employed foreigners originating from a country that maintains reciprocity of treatment for Lebanese nationals (France, Belgium, the UK and Italy). In order to receive family allowances, the family members of the insured should be residing in Lebanon.

### 10.2.5 *Economic Hardship*

Lebanon does not maintain any guaranteed minimum resources nor a comprehensive non-contributory welfare scheme to protect the most vulnerable Lebanese at home, abroad or foreign nationals living in Lebanon from economic hardship. However, the National Poverty Targeting Program (NPTP) is the first poverty-targeted social assistance program aiming to “provide social assistance to the poorest and most vulnerable Lebanese households based on transparent criteria that assess each household’s eligibility to receive assistance” (Presidency of Council of Ministers 2016).<sup>34</sup> The NPTP was originally launched in October 2011, but since the Syrian crisis persisted, it was relaunched as the *Emergency* NPTP (ENPTP) in 2014 (Kukrety 2016).<sup>35</sup> Both the NPTP and the ENPTP provide social protection only for Lebanese nationals (MoSA 2013). Foreigners, including Palestinians, are not eligible to enrol in this programme nor are these benefits exportable. For Lebanese households (or single individuals) to benefit from the ENPTP, their ‘poverty level’ must be assessed by a Social Inspector. This assessment takes into account the applicant’s standard of living based on employment status, level of education, marital status, physical ability, housing condition, assets owned and their geographic location (Kukrety 2016). If deemed below the determined poverty threshold, the head of the household is given a *Halla* card which provides them access to education and health benefits at any of the 220 SDCs or local clinics and from the Ministry of Education and Higher Education. Benefits are provided for a three-year period before a reassessment is conducted.<sup>36</sup>

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<sup>33</sup>The only exception for residing abroad while being eligible to receive maternity benefits is that if the company is registered and the work contract is signed in Lebanon but are temporarily working abroad.

<sup>34</sup>Quotation originates from cabinet policy statement on the NPTP which established the program (18th of June, 2009).

<sup>35</sup>As of October 2016, the Government of Lebanon estimates that approximately 1.5 million Syrians were residing in Lebanon. This amount to almost a quarter of Lebanon’s population (UN and GoL 2017).

<sup>36</sup>According to the World Bank (2016), the ENPTP remains limited in scope and coverage reaches less than 10% of the population.

### 10.2.6 *Obstacles and Bilateral/Multilateral Social Security Agreements*

Foreigners originating from certain countries (i.e. US, Canada, EU Member States, etc.) do not require a pre-approved visa to enter Lebanon. A cost-free visa up to 3–6 months is granted upon entry into the country. However, for other nationalities (including Indonesia and Sri Lanka), a previous authorisation by the General Directorate of General Security of Lebanon is required before granting an entry visa.<sup>37</sup> Once arriving in Lebanon, foreigners must apply for work permits from the MoL and residency permits from the General Directorate of General Security. Domestic workers (i.e. Indonesian and Sri Lankan migrants) in Lebanon are specifically required to obtain their residency and work permits following an alternative set of guidelines.

The procurement of social benefits from Lebanon appears to have no effect on residence permits, family reunification or naturalisation of foreigners<sup>38</sup> in the country. This is primarily because proper legal documents (i.e. residency and work permits) must be established before foreigners may attain social protection benefits from the NSSF (the only scheme they are eligible to partake).

The greatest obstacles rest on the approximate 300,000–350,000 Palestinians residing primarily in Palestinian refugee camps and surrounding ‘gatherings’ (De Bel-Air 2017; UN and GoL 2017; Chaaban et al. 2010). Although over 90% of Palestinians in Lebanon were born in the country, they are still considered as foreigners and excluded from the social, economic and political life of the country, including social protection. What little social protection that is provided to Palestinians (i.e. health care) comes primarily from UNRWA.<sup>39</sup> With the effectiveness of UNRWA often hindered by its reliance on aid money, it endeavours to provide Palestinians with essential assistance in the areas of shelter, infrastructure, education, health care and some limited welfare services (Chaaban et al. 2010; Al-Nashif and El-Khoury 2012). Lebanese have strongly opposed the nationalisation (or *tawteen*) of Palestinians. Their position on the ‘right to return’<sup>40</sup> of Palestinians has been used to justify discriminatory and restrictive economic, social and civil policies for over 70 years. Additionally, the debate on naturalisation has been a taboo subject for almost all political parties with any discussion examining

<sup>37</sup> For a list of countries and their respective visa requirements, visit: <http://www.general-security.gov.lb/en/posts/38>

<sup>38</sup> There has been no major citizenship reform since 1924, and access to citizenship for foreign residents does not depend on established administrative rules and processes but rather on ad hoc political decisions (Jaulin 2014).

<sup>39</sup> Palestinians in Lebanon also receive assistance from around 46 Arab organisations and 20 NGOs. However, the assistance pales in comparison to that of UNRWA (Chaaban et al. 2010).

<sup>40</sup> The ‘right to return’ is the political position or principle which states that Palestinians (whether first-generation or their descendants) have the right to return to the land they were displaced from. Lebanon, for example, argues that providing citizenship to Palestinians could inhibit them from returning to Palestine.

the economic, social and civil rights of Palestinians becoming disrupted by rival accusation of promoting *tawteen*; an act considered virtually treasonous within the political discourse (Chaaban et al. 2010).

According to Article 9 of the Social Security Law of 1963, foreign wage-earners and salary-earners are able to benefit from the NSSF if they hold a valid residency and work permit and originate from countries which grant Lebanese nationals equal or better social protection (Social Security Law of 1963, 2007). Currently, Lebanese authorities have approved France, Belgium, the UK and Italy as countries which meet the reciprocity of social protection criteria stipulated by the Social Security Law. Furthermore, the Euro-Mediterranean Partnership Agreement (EMP) was signed by Lebanon in 2002 with the final draft coming into force in 2006. However, unlike EMP agreements signed with other states (i.e. Algeria, Morocco, Tunisia) Lebanon's EMP agreement does not go beyond the arrangement of 'dialogue' on issues pertaining to social protection and includes no reciprocal cooperation in the area of social protection (García de Cortázar Nebreda 2016; Ayadi and Gadi 2013).

### 10.3 Conclusions

The fragmented and decentralised nature of Lebanon's social protection schemes has left upwards of half the population without any comprehensive social protection. Specific groups (i.e. Palestinians, elderly, migrants) inhabit an even more precarious position due mainly to restrictive policies in place or an impasse on inclusive policies to provide protection for larger segments of the population. The lack of social protection coverage, coupled with a number of other deficiencies, has both historically and presently motivated many Lebanese to seek better opportunities and security abroad. For many Lebanese households, having a family member or close friend residing abroad has been an indispensable source of social and economic protection from the country's instability. For foreigners residing in Lebanon, the only social protection scheme they can benefit from is the NSSF. However, due to the limiting stipulations from the reciprocity of treatment for social protection from the Social Security Law of 1963 (Article 9), only citizens from France, Belgium, the UK and Italy are able to formally benefit. Lebanon has regularly posited itself *not* as a country of immigration nor refuge.<sup>41</sup> Most migrants and refugee communities are often perceived as a burden on infrastructural needs, security concerns and economic opportunities. Most importantly, the tenuous sectarian balance pervasive in the country is cited as a primary reason for the lack of social protection and naturalisation rights for many migrants. Lebanese authorities have tacitly and explicitly stressed the concern about providing particular services and/or rights to migrant populations for trepidation that they may not leave the country.

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<sup>41</sup> Lebanon is not signatory to the 1951 Convention Relating to the Status of Refugees nor its 1967 Protocol.

In 2004, the office of the Prime Minister and the MoL drafted a bill which proposed changes to the ESI component of the NSSF and provided key redistributive measures to mitigate vulnerability from employees with poor earnings, the risk of longevity and unemployment. In 2011, the MoL proposed another draft bill to adopt a “Notional Defined Contribution” system where individuals pay contributions from their salary and fund benefits for the retired population. Each individual would maintain a ‘notional account,’ and upon retirement, beneficiaries would receive at least 40% of wages. However, none of these draft laws have been passed. Also, Lebanon moved towards implementing comprehensive and universal health care coverage in 2012. The Comprehensive Health Project was presented by the Minister of Labour with the explicit objective to unify and include all Lebanese under one non-contributory health care system. However, this too has yet to be implemented (Nasnas 2016).

As discussed previously, the NPTP (and the ENPTP) has been implemented as a short-term social assistance program meant to alleviate the economic and social difficulties stemming from the Syrian crisis. Recently, the Government of Lebanon has been looking into legally institutionalising the NPTP as a permanent feature of Lebanon’s social protection system. Although the draft law is still under discussion, this would constitute a significant step in providing vulnerable Lebanese a social safety net (World Bank 2016).

For the approximate 270,000 Palestinians in Lebanon, UNRWA is the only institution to provide some semblance of social protection. Because Palestinians are considered foreigners in the country (irrespective of the overwhelming majority being born in Lebanon), they are not entitled to any social protection afforded to Lebanese citizens. The UN (2019) has stated that UNRWA is facing “the greatest financial predicament in its history this year following the abrupt end to funding by the United States.” Pierre Krähenbühl, the Commissioner-General of UNRWA, further describes that the shortage of US\$ 446 million<sup>42</sup> has threatened the general education of 525,000 students, essential primary health care for 3 million patients and food assistance for 1.7 million refugees who fled difficult emergencies, including Syria. As of late, global funding campaigns are underway to assuage the substantial financial shortfall.

Finally, endemic in Lebanese institutions and administrations are sectarian and clientelist politics which have obstructed and hindered the development, modernisation and inclusivity of many vital institutions. The NSSF, for example, is not a public independent sector nor is it separated from the political Lebanese reality. In fact, their internal work practices and the recruitment processes are highly politicised and controlled by clientelist agendas (Abi Yaghi 2014). Even official figures containing the number of staff in government positions and ministries is classified information due to the sensitivity of the sectarian aspect (Mourtada n.d.). What Lebanon has managed to create in terms of social protection can be described as a ‘political safety net’ rather than an essential ‘social safety net’ which would

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<sup>42</sup> US\$ 446 millions accounts for approximately 40% of UNRWA’s operating budget (UN 2019).

overcome political or sectarian affiliation and provide a comprehensive and equitable welfare scheme to assist all segments of the Lebanese population and non-Lebanese residing in Lebanon.

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